
U.S. Department of the Interior • U.S. Geological Survey

MINERAL INDUSTRY SURVEYS

Gordon P. Eaton, Director

Reston, VA 20192

For information, contact:

E. B. Amey, Gold Specialist, (703) 648-4969, Fax: (703) 648-7757

R. G. Reese, Silver and Platinum Group Metals Specialist (703) 648-4881

E-mail: eamey@usgs.gov

E. J. Hemphill (Data), (703) 648-7974

MINES-DATA: (703) 648-7799

MINES FaxBack: (703) 648-4999

Internet: <http://minerals.er.usgs.gov/minerals>

PRECIOUS METALS IN JANUARY 1997

Domestic

U.S. mines produced 27,400 kilograms of gold and 135,000 kilograms of silver in January 1997.

Inter-Rock Gold has completed construction of the Daisy gold mine near Beatty, in southwestern Nevada. During 1997 an average of 145,000 metric tons of gold ore will be stacked each month on the mine's leach pads. The mine is expected to have a 6-year lifetime.¹

In a December 30, 1996, news release, the United States Mint announced that it had sold 42,500 troy ounces of gold and 1,183,000 ounces of silver in 1 day as purchasers began lining up to place orders for the 1997 dated American Eagle gold and silver bullion coins. Approximately 20% of the gold in coins was sold to distributors in Europe and the Far East.

International

The Dutch Central Bank sold 300 tons of gold from its reserves in 1996. This sale represents one-fifth of its holdings and raised \$3.8 billion to be used as interest-bearing foreign currency reserves. The 300 tons of gold, some 9.6 million troy ounces, is almost as much as the entire annual output of the United States.²

Indian residents overseas will be allowed to bring 10 kilograms of gold into India as part of their baggage. This amount doubles the old limit. Residents must have been abroad for 6 months or more before they can qualify, and they will be required to pay a "nominal" import duty on the gold they bring. The easing of gold import rules does not apply to imports under other schemes, such as gold jewelry export promotions.³

China's Ministry of Metallurgical Industry estimated 1996 Chinese gold production at 118 tons of gold, up 10 tons from the 1995 level. The actual figure reportedly could be 10 to 20 percent higher if unreported and illegal production were included.⁴

The first authoritative indication of the size of the global gold market was revealed by the London Bullion Market Association (BMA). Deals involve about 30 million ounces, or 930 tons, of gold valued at more than \$10 billion every business day in London, the international settlement center for gold bullion. The BMA has overturned years of tradition and secrecy to provide statistics illustrating the size and depth of the London market.⁵

Tutsi rebel forces in Zaire have taken control of the Kimin gold mining operation 80 kilometers from the town of Bunia in the Kilo Moto concession area in eastern Zaire. The Kimin gold mine is reported to have been looted, but the processing plant is believed to have remained intact. Kimin's reserves are estimated at 3.7 million ounces of gold, and the mine has been an acquisition target of Barrick Gold, of Canada, prior to the start of the conflict in Zaire.⁶

Pegasus Gold has poured the first gold at its new mill and processing plant located at the Mount Todd gold mine in Australia's Northern Territory. When the mine reaches full capacity, it will produce 260,000 ounces of gold per year.⁷

Update

In a February 17 news release, Bre-X Minerals Ltd., of Canada, announced the formation of Busang Indonesian Gold JV, owned 45% by Bre-X, 30% by private Indonesian investors, 10% by the Indonesian Government, and 15% by Freeport-McMoRan Copper and Gold, Inc. The company was formed to develop the Busang II and III gold properties in East Kalimantan, Indonesia. Freeport is to develop and operate a mine at the properties. Bre-X put the reserves at Busang at about 71 million ounces, and the potential resource as high as 200 million ounces. A few weeks later, however, the worth of the deposit was put in doubt when Freeport announced that its first few drill holes indicated insignificant amounts of gold.⁸

Russian production reportedly fell from 122 tons of gold in

1995 to 115 tons in 1996, a drop of 6%. Incidental gold, i.e., small amounts of gold produced when processing complex ores, totaled 5.1 tons of gold in 1996, down almost 10%. Gold recovered from scrap and waste came to 3.2 tons, about 22% lower than in 1995.⁹

Major gold mineralization zones are said to have been rediscovered in the eastern region of the Gawler Craton of Australia. Extremely high-grade deposits of up to 20 grams of gold per ton reportedly were found in gold fields that had been forgotten for 100 years because of very difficult mining conditions.¹⁰

¹Mining Journal. Daisy completed. V. 328, No. 8410, Jan. 1997, p. 5.

²World Gold Council. Dutch sale. V. 5, No. 1, Jan. 1997, p. 1.

³Platt's Metals Week. India eases gold import rules. V. 68, No. 1, Jan. 6, 1997, p. 11.

⁴———. China Au output figure released. V. 68, No. 1, Jan. 6, 1997, p. 11.

⁵Financial Times. Extent of global gold market revealed. Jan. 30, 1997, p. 1.

⁶Mining Journal. Zairean rebels seek gold revenues. V. 328, No. 8411, Jan. 10, 1997, p. 19.

⁷———. Mt. Todd gold pour. V. 328, No. 8411, Jan. 10, 1997, p. 21.

⁸Wall Street Journal. Doubts Surface Over Bre-X Gold Field. Mar. 27, 1997, p. 2.

⁹American Metal Market. Russian gold production off. V. 105, No. 28, Feb. 10, 1997, p. 6.

¹⁰———. Capricorn Resources rediscovers gold sites. V. 105, No. 28, Feb. 10, 1997, p. 6.

Publications on the Internet

Monthly, quarterly, and annual Minerals Information publications are now available through the World Wide Web (www). These publications include Mineral Commodity Summaries, Minerals Yearbook, Mineral Industry Surveys, and Metal Industry Indicators. To access Minerals Information publications, visit the Minerals Information home page at <http://minerals.er.usgs.gov/minerals>.

(Kilograms)

4/ Includes Alaska, Colorado, Michigan, Missouri, New Mexico, New York, South Carolina, South Dakota, Utah, Wisconsin, and States indicated by symbol "W."

TABLE 2
SELECTED PRECIOUS METAL PRICES

(Dollars per troy ounce)

	Gold	Silver	Platinum	Palladium
Engelhard Industries:				
1996:				
December:				
Low/date	368.67/03	4.67/03	368.00/16	117.00
High/date	372.18/04	4.88/27	375.00/04	119.00
Average	370.31	4.81	371.15	119.85
Year to date:				
Low/date	368.67 (Dec.03)	4.67 (Dec.03)	368.00 (Dec.16)	117.00
High/date	391.06 (Aug .05)	5.82 (Feb. 02)	433.00 (Feb. 05)	146.00
Average	389.17	5.20	397.97	130.39
1997:				
January:				
Low/date	346.74/31	4.65/08	352.00/31	122.00
High/date	367.82/01	5.05/27	370.00/01	129.00
Average	356.36	4.78	360.59	124.73
February:				
Low/date	338.92/12	4.85/06	350.00/03	128.00
High/date	361.26/27	5.30/28	393.00/27	161.00
Average	347.95	5.10	365.57	141.26
Year to date:				
Low/date	338.92 (Feb.12)	4.65 (Jan.08)	350.00 (Feb.03)	122.00
High/date	367.82 (Jan.01)	5.30 (Feb.28)	393.00 (Feb.27)	161.00
Average	352.15	4.94	363.08	133.00
Handy and Harman:				
1996:				
December	369.02	4.79	XX	XX
Average	387.81	5.18	XX	XX
1997:				
January	355.10	4.76	XX	XX
February	346.71	5.09	XX	XX
Average	350.91	4.93	XX	XX
London Final:				
1996:				
December	369.00	4.82	XX	XX
Average	387.70	5.20	XX	XX
1997:				
January	355.10	4.77	XX	XX
February	347.58	5.07	XX	XX
Average	351.34	4.92	XX	XX

XX Not applicable.

Source: Platt's Metals Week.

TABLE 3
U.S. IMPORTS AND EXPORTS OF GOLD, BY COUNTRY 1/

(Kilograms of gold content, unless otherwise specified)

Country	Ores and concentrates 2/	Dore and precipitates	Refined bullion 3/	Total	Waste and scrap 4/ (gross weight)
Imports for consumption:					
1995:					
Year	5,020	9,820	111,000	126,000	14,400
1996:					
October	215	1,730	12,700	14,600	1,260
November	257	809	12,100	13,200	1,250
December:					
Brazil	--	--	2,620	2,620	--
Canada	106	26	5,460	5,590	77
Chile	--	--	757	757	37
Colombia	--	--	1,000	1,000	--
Dominican Republic	--	--	101	101	336
Mexico	160	598	446	1,200	204
Peru	--	--	427	427	13
Switzerland	--	--	357	357	--
Other	--	81	740	821	281
Total	266	705	11,900	12,900	948
Year to date	3,460	11,900	143,000	159,000	13,000
Exports:					
1995:					
Year	345	69,700	277,000	347,000 5/	74,700 5/
1996:					
October	96	6,630	18,400	25,200	6,600
November	102	7,820	8,730	16,600	5,460
December:					
Canada	2	1,330	3,350	4,680	2,670
France	--	--	--	--	1,920
Germany	--	--	6	6	--
Hong Kong	--	--	3,210	3,210	--
Korea, Republic of	--	--	3,000	3,000	--
Mexico	--	--	325	325	--
Switzerland	--	1,820	2,750	4,570	--
Taiwan	--	--	606	606	--
United Kingdom	--	2,550	--	2,550	464
Other	--	1	597	598	360
Total	2	5,700	13,800	19,500	5,410
Year to date	374	65,100	406,000	471,000	89,900

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Includes gold content of base metal ores, concentrates, and matte imported for refining.

3/ Bullion also moves in both directions between U.S. markets and foreign stocks on deposit in the Federal Reserve Bank. Monetary gold excluded.

4/ "Waste and scrap" not included in "Total."

5/ Data verified as correct by the Bureau of the Census..

Source: Bureau of the Census.

TABLE 4
U.S. IMPORTS AND EXPORTS OF SILVER, BY COUNTRY 1/

(Kilograms of silver content, unless otherwise specified)

Country	Ores and concentrates 2/	Dore and precipitates	Refined bullion	Total	Waste and scrap 3/ (gross weight)
Imports for consumption:					
1995:					
Year	225,000	395,000	2,630,000	3,250,000	2,140,000
1996:					
October	11,800	16,900	208,000	236,000	163,000
November	17,900	18,100	190,000	226,000	152,000
December:					
Canada	5,890	--	95,300	101,000	36,200
Chile	--	34,100	7,540	41,600	125
Denmark	--	--	--	--	15,000
Germany	--	--	--	--	38,600
Japan	--	--	--	--	204
Malaysia	--	--	--	--	29,100
Mexico	12,100	660	146,000	158,000	5,420
Peru	--	1,770	28,000	29,800	--
Philippines	--	--	--	--	12,700
United Kingdom	--	--	--	--	20
Other	--	500	88	588	458
Total	18,000	37,000	277,000	332,000	138,000
Year to date	153,000	281,000	2,580,000	3,010,000	1,780,000
Exports:					
1995:					
Year	743	72,100	2,810,000 4/	2,880,000	1,580,000
1996:					
October	--	1,370	403,000	405,000	91,000
November	17	4,280	38,500	42,800	80,600
December:					
Belgium	--	--	--	--	19,200
Canada	--	--	--	--	33,700
China	--	--	--	--	5,990
France	--	--	--	--	581
Germany	--	--	--	--	1,720
Hong Kong	--	--	265	265	--
Israel	710	--	--	710	--
Japan	--	--	18,100	18,100	19,400
Sweden	--	--	--	--	6,010
Switzerland	--	104	--	104	--
Taiwan	--	4,480	--	4,480	--
United Arab Emirates	--	--	52,800	52,800	--
United Kingdom	--	115	67	182	2,280
Other	--	--	--	--	196
Total	710	4,700	71,200	76,600	89,000
Year to date	1,510	43,300	2,900,000	2,950,000	1,280,000

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Includes silver content of base metal ores, concentrates, and matte imported for refining.

3/ "Waste and scrap" not included in "Total."

4/ Verification of Bureau of the Census exports was not possible for some months of 1995.

Source: Bureau of the Census.

TABLE 5
U.S. IMPORTS AND EXPORTS OF PLATINUM-GROUP METALS, BY COUNTRY 1/

(Kilograms of metal content, unless otherwise specified)

Country	Ores and concentrates	Waste and scrap (gross weight)	Refined					
			Platinum	Palladium	Rhodium	Iridium	Osmium	Ruthenium
Imports for consumption:								
1995:								
Year	123	6,350	71,500 2/	124,000	9,600	1,450	69	7,520
1996:								
October	--	592	6,650	15,600	513	55	--	1,590
November	--	180	5,560	33,000	1,000	358	--	1,060
December:								
Belgium	--	--	87	765	--	--	--	--
Canada	--	47	103	159	--	--	--	--
France	--	3	13	--	--	--	--	--
Germany	--	90	306	461	15	3	--	--
Japan	--	--	5	545	--	--	--	--
Norway	--	--	16	117	--	--	--	--
Russia	--	--	2,070	11,300	635	--	--	922
South Africa	--	--	3,690	1,550	367	135	--	460
Switzerland	--	--	323	1,070	--	--	--	--
United Kingdom	--	9	690	1,740	15	45	--	25
Other	--	138	31	177	1	--	--	--
Total	--	287	7,330	17,900	1,030	183	--	1,410
Year to date	1,960	5,060	73,700	146,000	9,650	1,810	329	15,600
Exports:								
1995:								
Year	598	8,150	19,900	26,000	742	85 3/		
1996:								
October	34	512	1,240	2,460	6	5 3/		
November	86	1,250	523	3,110	5	13 3/		
December:								
Belgium	--	73	251	603	--	--		
Canada	--	4	30	82	--	1 3/		
France	--	--	14	115	--	--		
Germany	--	59	49	170	--	--		
Hong Kong	--	--	52	7	--	1 3/		
Japan	7	136	124	387	--	--		
Korea, Republic of	--	--	--	85	9	--		
Mexico	--	--	6	406	--	--		
Netherlands	--	--	3	--	--	10 3/		
Switzerland	27	--	10	112	--	--		
Taiwan	--	--	6	116	--	--		
United Kingdom	13	572	68	121	5	2 3/		
Other	23	54	232	266	--	2 3/		
Total	70	898	846	2,470	14	16 3/		
Year to date	484	8,640	12,700	26,700	196	123 3/		

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Of this amount, 1,070 kilograms was in the form of platinum coins.

3/ Includes osmium and ruthenium.

Source: Bureau of the Census.